



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

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May 1, 2015

The Honorable Mark Leno  
California State Senate  
State Capitol, Room 5100  
Sacramento, CA 95814

Subject: **BOE Support for SB 140**

Dear Senator Leno:

**The Board of Equalization (BOE) supports your SB 140**, which revises the "tobacco products" definition under the Cigarette and Tobacco Products Licensing Act of 2003 (Licensing Act) to conform to the Stop Tobacco Access to Kids Enforcement (STAKE) Act, thereby requiring the BOE to suspend or revoke a retailer's Licensing Act license and impose a civil penalty for furnishing a "tobacco product" to a minor. The bill revises the STAKE Act's "tobacco products" definition to include an electronic device that delivers nicotine or other substances to the person inhaling from the device (e-cigarettes).

Currently, the Licensing Act requires the BOE to license cigarette and tobacco products manufacturers, importers, distributors, wholesalers, and retailers. Additionally, the STAKE Act requires the BOE to suspend or revoke a retailer's Licensing Act license upon a third, fourth, or fifth sales to minors violation, and impose a \$250 civil penalty. SB 140 expands those provisions to retailers caught selling e-cigarettes to minors.

The University of Washington's report titled "*E-cigarettes: Evidence and policy options for Washington State*," states that nicotine is a highly addictive product to which children, adolescents, and young adults are particularly vulnerable. E-cigarettes appeal to youth, and their marketing promises that they are safe, especially in comparison to conventional smoking. Product designs even feature candy flavors. These marketing tactics may well have helped triple e-cigarette use among high school students between 2011 and 2013.

Accordingly, the BOE strongly supports this bill's efforts to license e-cigarette retailers, to take action on a retailer's license for multiple STAKE Act violations involving sales to youth, and to prevent the sale of electronic devices to children.

If you have any questions, please contact Michele Pielsticker, Chief, Legislation and Research Division, at (916) 322-2376.

Sincerely,

  
Cynthia Bridges  
Executive Director

CB:ah